

State of Wisconsin Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection

Ben Brancel, Secretary

TO:

Board of Agriculture, Trade and Consumer Protection

FROM:

Ben Brancel, Secretary

SUBJECT: Ch. ATCP 136, Mobile Air Conditioners; Reclaiming or Recycling Refrigerant (Hearing Draft)

PRESENTED BY: Judy Cardin, Trade and Consumer Protection Division Judy Cardin

REQUESTED ACTION:

At the February 18, 2015 Board meeting, the Department of Agriculture, Trade and Consumer Protection (DATCP) will ask the DATCP Board to authorize public hearings on a proposed rule (copy attached) related to mobile air conditioners; reclaiming or recycling refrigerant.

SUMMARY:

Background

The existing ATCP 136 establishes requirements for buying, selling, reclaiming and recycling ozone depleting refrigerants. The requirements are consistent with those under federal law. The rule also requires businesses that install, repair or service mobile air conditioners to pay an annual registration fee and obtain an annual registration certificate from the department. The rule requires businesses to register their mobile air service technicians and technicians to successfully complete a department approved training course or satisfy other training requirements.

2013 Act 312 eliminated the department's authority to register businesses that install, repair or service mobile air conditioners. Act 312 also repealed the department's authority to establish training requirements for technicians performing those services in Wisconsin.

This rule makes changes to an existing rule, ATCP 136. This rule will eliminate the business registration requirement and associated fee for operators of mobile air conditioning businesses, harmonize training requirements with EPA to eliminate duplication, update adopted standards, and remove outdated references to statutes that no longer exist.

Rule Content

This rule does all of the following:

- Updates the rule to harmonize with statutory changes made in 2013 Act 312.
- Updates standards for recovery and recycling equipment, and recycled refrigerant to the most recent standards established by the Society of Automotive Engineers (SAE).
- Eliminates the mobile air conditioner repair business registration and associated fees.
- Modifies mobile air conditioner repair technician training requirements to refer to federal training requirements established by the Environmental Protection Agency (EPA).
- Removes references to obsolete Department of Safety and Professional Services (DSPS) licensing requirements.

Summary of, and Comparison with, Existing or Proposed Federal Statutes and Regulations

At the federal level, the EPA requires technicians to be trained and certified by an EPA-approved organization. The training must cover specific content areas, and technicians must pass a test demonstrating competency to be certified. Under the proposed rule, a technician who completes the EPA-approved course would be qualified to install, repair or service mobile air conditioners in Wisconsin.

This rule is consistent with federal laws related to buying, selling, reclaiming, and recycling ozone-depleting refrigerants.

Comparison with Rules in Adjacent States

The EPA administers the mobile air conditioner regulations used in adjacent states. Wisconsin has adopted EPA's regulations into state law to improve the ability to enforce the regulations. The proposed rule brings Wisconsin's training requirements into conformity with the EPA training regulations used in neighboring states.

Summary of Factual Data and Analytical Methodologies

This rule does not depend on a complex analysis of data. The 2013 Legislative change to the statute prompted the change to this rule. This rule harmonizes Wisconsin's training requirements with federal law and improves consistency with surrounding states.

Analysis and Supporting Documents used to Determine Effect on Small Business or in Preparation of an Economic Impact Analysis

The DATCP Weights and Measures Bureau administers Wisconsin's mobile air conditioning registration program. In 2013, 3500 operators of mobile air conditioning repair businesses registered with DATCP. At a

cost of \$120 per registration, the cumulative cost for these businesses to register with the state was \$420,000. In addition, the DATCP collected another \$7000 in statutorily required surcharge fees on late registrations. These businesses also registered and submitted Wisconsin required training credentials for 11,000 mobile air conditioning repair technicians.

Effect on Small Business

This proposed rule eliminates registration fees and modifies training requirements. Businesses will benefit from the reduction in fee and training expenses. The rule would save approximately 3,500 businesses a \$120 annual registration fee for a total savings of about \$420,000 each year. In addition, the 11,000 technicians who register annually with the department would be able to use their EPA-approved training course to meet Wisconsin's training requirements. This cost savings is indeterminate, but would save technicians and businesses both training registration fees and time away from their jobs. This rule will not have a negative effect on small business.

Next Steps

If the Board authorizes public hearings on this rule, DATCP will refer a copy of the rule to the Legislative Council Rules Clearinghouse and publish a hearing notice in the Wisconsin Administrative Register. DATCP will hold public hearings on the dates and at the locations specified in the hearing notice. The hearing dates and locations have not yet been determined.

Following the public hearings, DATCP will prepare a final draft rule for the Board's consideration. If the Board approves a final draft rule, DATCP will transmit that final draft rule to the Legislature for review by appropriate legislative committees. If the Legislature takes no action to stop the rule, the Secretary will sign the final rulemaking order and transmit it for publication.

PROPOSED ORDER OF THE WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION ADOPTING RULES

The Wisconsin department of agriculture, trade and consumer protection proposes the following rule *to repeal* ATCP 136.01 (3) and (4), ATCP 136.02, ATCP 136.04, ATCP 136.10 (2) (c) and (d), and ATCP 136.10 (3) (a) 2. and (b) 4.; *to amend* ATCP 136.01 (1) (Note), ATCP 136.01 (21), ATCP 136.10 (2) (a) (intro), and 3., and (b), (3) (a) 1. and (4) (a) 1., ATCP 136.12 (1) (b) (Note) and (2) (Note), ATCP 136.12 (3) (a) to (d), ATCP 136.14 (1) (a) and (b), ATCP 136.16 (4) (a) 3. and (5) (intro.), and ATCP 136.20 (5); *to repeal and recreate* ATCP 136.08 and ATCP 136.10 (3) (b) 1.; *relating to* mobile air conditioners, reclaiming or recycling refrigerant, and effecting small business.

Analysis Prepared by the Department of Agriculture, Trade and Consumer Protection

This rule makes changes to an existing rule, ATCP 136, Mobile Air Conditioners; Recycling and Reclaiming of Refrigerants, administered by the department of Agriculture, Trade and Consumer Protection ("DATCP"). The existing rule contains environmental protections related to allowable refrigerants and their handling, and disposal and registration and training requirements for business operators and technicians. This rule will eliminate the business registration requirement and associated fee for operators of mobile air conditioning businesses, harmonize training requirements with EPA to eliminate duplication, and remove outdated references to statutes that no longer exist. These changes will harmonize the rule with statutory changes made in 2013 Act 312. This rule makes other modifications needed to ensure uniformity between the statute and rule.

Statutes Interpreted

Statutes Interpreted: s. 100.45, Wis. Stats.

Statutory Authority

Statutory Authority: ss. 93.07 (1), 100.45 (5) (a), and 100.45 (5e) Wis. Stats.

Explanation of Statutory Authority

DATCP has broad general authority, under s. 93.07 (1), Stats., to interpret laws under its jurisdiction.

DATCP has specific authority under s. 100.45 (5) (a), Stats., to promulgate rules for the administration of this section, including establishing standards for recycled refrigerant based on recognized national industry standards.

DATCP has specific authority under s. 100.45 (5e), Stats., to promulgate rules providing that any portion of s. 100.45 (3) or (4) applies with respect to a substance used as a substitute for an ozone-depleting refrigerant.

Related Statutes and Rules

This proposed rule modifies an existing rule chapter, Chapter ATCP 136, which regulates the repair or service of motor vehicle air conditioners and trailer refrigeration equipment. This rule relates to s. 100.45, Stats., Mobile Air Conditioners.

Plain Language Analysis

Background

The existing ATCP 136 establishes requirements for buying, selling, reclaiming and recycling ozone depleting refrigerants. The requirements are consistent with those under federal law. The rule also requires businesses that install, repair or service mobile air conditioners to pay an annual registration fee and obtain an annual registration certificate from the department. The rule requires businesses to register their mobile air service technicians and technicians to successfully complete a department approved training course or satisfy other training requirements.

2013 Act 312 eliminated the department's authority to register businesses that install, repair or service mobile air conditioners. Act 312 also repealed the department's authority to establish training requirements for technicians performing those services in Wisconsin.

Rule Content

This rule does all of the following:

- Updates the rule to harmonize with statutory changes made in 2013 Act 312.
- Updates standards for recovery and recycling equipment, and recycled refrigerant to the most recent standards established by the Society of Automotive Engineers (SAE).
- Eliminates the mobile air conditioner repair business registration and associated fees.
- Modifies mobile air conditioner repair technician training requirements to refer to federal training requirements established by the Environmental Protection Agency (EPA).

• Removes references to obsolete Department of Safety and Professional Services (DSPS) licensing requirements.

Summary of, and comparison with, existing or proposed federal statutes and regulations.

At the federal level, the EPA requires technicians to be trained and certified by an EPA-approved organization. The training must cover specific content areas, and technicians must pass a test demonstrating competency to be certified. Under the proposed rule, a technician who completes the EPA-approved course would be qualified to install, repair or service mobile air conditioners in Wisconsin.

This rule is consistent with federal laws related to buying, selling, reclaiming, and recycling ozone-depleting refrigerants.

Comparison with rules in adjacent states

The EPA administers the mobile air conditioner regulations used in adjacent states. Wisconsin has adopted EPA's regulations into state law to improve the ability to enforce the regulations. The proposed rule brings Wisconsin's training requirements into conformity with the EPA training regulations used in neighboring states.

Summary of Factual Data and Analytical Methodologies

This rule does not depend on a complex analysis of data. The 2013 Legislative change to the statute prompted the change to this rule. This rule harmonizes Wisconsin's training requirements with federal law and improves consistency with surrounding states.

Analysis and Supporting Documents Used to Determine Effect on Small Business or in Preparation of an Economic Impact Analysis

The DATCP Weights and Measures Bureau administers Wisconsin's mobile air conditioning registration program. In 2013, 3500 operators of mobile air conditioning repair businesses registered with DATCP. At a cost of \$120 per registration, the cumulative cost for these businesses to register with the state was \$420,000. In addition, the DATCP collected another \$7000 in statutorily required surcharge fees on late registrations. These businesses also registered and submitted Wisconsin required training credentials for 11,000 mobile air conditioning repair technicians.

Effect on Small Business

This proposed rule eliminates registration fees and modifies training requirements. Businesses will benefit from the reduction in fee and training expenses. The rule would save approximately 3,500 businesses a \$120 annual registration fee for a total savings of about \$420,000 each year. In addition, the 11,000 technicians who register annually with the department would be able to use their EPA-approved training course to meet Wisconsin's training requirements. This cost savings

is indeterminate, but would save technicians and businesses both training registration fees and time away from their jobs. This rule will not have a negative effect on small business.

Environmental Impact

The proposed rule changes do not have an environmental impact.

DATCP Contact

Carolann Nelson
Department of Agriculture, Trade and Consumer Protection
P.O. Box 8911
Madison, WI 53708-8911
Telephone (608) 224-4928
E-Mail: carolann.nelson@wisconsin.gov

Where Comments May Be Submitted

Carolann Nelson
Department of Agriculture, Trade and Consumer Protection
P.O. Box 8911
Madison, WI 53708-8911
Telephone (608) 224-4928

E-Mail: carolann.nelson@wisconsin.gov

SECTION 1. ATCP 136.01 (1) (Note) is amended to read:

ATCP 136.01 (1) Note: You may obtain a list of approved reclamation facilities by writing to OZONE, Consumer Protection Weights and Measures Bureau, P.O. Box 8911, Madison, WI 53708-8911.

SECTION 2. ATCP 136.01 (3) and (4) are repealed.

SECTION 3. ATCP 136.01 (21) is amended to read:

ATCP 136.01 (21) "Technician" means an individual who personally performs any of the activities identified under s. ATCP 136.02 (1) is properly trained and certified in appropriate programs, as specified by the federal environmental protection agency under 42 USC 7671h.

SECTION 4. ATCP 136.02 is repealed.

SECTION 5. ATCP 136.04 is repealed.

SECTION 6. ATCP 136.08 is repealed and recreated to read:

ATCP 1363.08 No person may perform motor vehicle repair that releases or may release refrigerant from a mobile air conditioner or trailer refrigeration equipment or may install of service a mobile air conditioner or trailer refrigeration equipment that contains refrigerant unless that person is properly trained and certified in appropriate programs, as specified by the federal environmental protection agency under 42 USC 7671h.

Note: A list of currently authorized Mobile Air Conditioning Technician Training and
Certification programs can be found here:

http://www.epa.gov/ozone/title6/608/technicians/608certs.html and here:

http://www.epa.gov/ozone/title6/609/technicians/609certs.html.

SECTION 7. ATCP 136.10 (2) (a) (intro.) and 3. are amended to read:

ATCP 136.10 (a) (intro.) A person who sells or resells that refrigerant in its original container, to persons identified under pars. par. (b) to (d). A sale or consignment does not violate this paragraph if the seller or con-signor relies in good faith on a written statement from the buyer or consignee that does all the following:

3. Guarantees that the buyer or consignee will sell or resell the refrigerant only to persons identified in pars. par. (b) to (d).

SECTION 8. ATCP 136.10 (2) (b) is amended to read:

ATCP 136.10 (2) (b) A person holding a valid business registration certificate under s.

ATCP 136.02 who is properly trained and certified in appropriate programs, as specified by the federal environmental protection agency under 42 USC 7671h.

SECTION 9. ATCP 136.10 (2) (c) and (d) are repealed.

SECTION 10. ATCP 136.10 (3) (a) 1. is amended to read:

ATCP 136.10 (3) (a) 1. A person holding a valid business registration certificate under s. ATCP 136.02 who is properly trained and certified in appropriate programs, as specified by the federal environmental protection agency under 42 USC 7671h, who sells or consigns the recovered refrigerant to the operator of an approved reclamation facility for reclamation at that facility, or who uses approved recycling equipment under s. ATCP 136.12 (3) to recycle the refrigerant for reuse in mobile air conditioners.

SECTION 11. ATCP 136.10 (3) (a) 2. is repealed.

SECTION 12. ATCP 136.10 (3) (b) 1. is repealed and recreated to read:

ATCP 136.10 (3) (b) 1. The holder of a valid business registration certificate under s.

ATCP 136.02 A person who is properly trained and certified in appropriate programs, as specified by the federal environmental protection agency under 42 USC 7671h.

SECTION 13. ATCP 136.10 (3) (b) 4. is repealed.

SECTION 14. ATCP 136.10 (4) (a) 1. is amended to read:

ATCP 136.10 (4) (a) 1. A person who holds a valid business registration certificate under s. ATCP 136.02 is properly trained and certified in appropriate programs, as specified by the federal environmental protection agency under 42 USC 7671h, and who sells or consigns the recycled refrigerant to the operator of an approved reclamation facility for reclamation at that facility.

SECTION 15. ATCP 136.12 (1) (b) (Note) and (2) (Note) are amended to read:

ATCP (1) (b) (Note) Note: You may obtain a list of approved recovery and recycling equipment by writing to OZONE, Consumer Protection Weights and Measures Bureau, P.O. Box 8911, Madison, WI 53708-8911.

(2) (Note) **Note**: You may obtain a list of approved independent testing organizations by writing to OZONE, Consumer Protection Bureau Weights and Measures Bureau, P.O. Box 8911, Madison, WI 53708-8911.

SECTION 16. ATCP 136.12 (3) (a) to (d) are amended to read:

ATCP 136.12 (3) (a) Equipment used to recover but not recycle R-12 refrigerant shall meet or exceed standards specified by the society of automotive engineers in "CFC-12 Extraction Equipment for Mobile Automotive Air-Conditioning Equipment," SAE J2209, June 1992 August 2011, including the secondary standards incorporated by reference in SAE J2209.

- (b) Equipment used to recover but not recycle R134a refrigerant shall meet or exceed the standards specified by the society of automotive engineers in "HFC-134a (R134a) Extraction Equipment for Mobile Automotive Air Conditioning Systems," SAE J1732, December, 1994

 November 2011, including the secondary standards incorporated by reference in SAE J1732.
- (c) Equipment used to recycle R-12 refrigerant shall meet or exceed the standards specified by the society of automotive engineers in "Extraction and Recycle Equipment for Mobile Automotive Air-Conditioning Systems," SAE J1990, March-1992 May 2011, including the secondary standards incorporated by reference in SAE J1990.
- (d) Equipment manufactured prior to January 1, 2008 used to recycle R-134a refrigerant shall meet or exceed the standards specified by the society of automotive engineers in "HFC-R134a Recycling Equipment for Mobile Air Conditioning Systems," SAE J2210, December 1991 November 2010, including the secondary standards incorporated by reference in

SAE J2210. Equipment manufactured on or after January 1, 2008 shall meet or exceed the standards specified in SAE J2788, December 2006 January 2013.

SECTION 17. ATCP 136.14 (1) (a) and (b) are amended to read:

ATCP (1) (a) R-12 refrigerant shall meet or exceed the standards specified by the society of automotive engineers in "Standard of Purity for Use in Mobile Air Conditioning Systems," SAE J1991, October 1989 August 2011.

(b) R-134a refrigerant shall meet or exceed the standards specified by the society of automotive engineers in "Standard of Purity for Recycled HFC134a For Use in Mobile Air Conditioning Systems," SAE J2099, December, 1991 April 2012.

SECTION 18. ATCP 136.16 (4) (a) 3. and (5) (intro.) are amended to read:

ATCP 136.16 (4) (a) 3. The name of the business registered under s. ATCP 136.02, and the technician registered under s. ATCP 136.04, that technician who charged the mobile air conditioner or trailer refrigeration equipment with the substitute refrigerant.

(5) (intro.) REPAIR OR SERVICE RECORDS. A person required to hold a business registration certificate under s. ATCP 136.02 who performs repairs or services to a mobile air conditioner or trailer refrigeration equipment shall keep a record of each repair or service transaction under s. ATCP 136.02 (1). The record shall include the name and address of the owner of the mobile air conditioner or trailer refrigeration equipment. The record shall indicate all of the following:

SECTION 19. ATCP 136.20 (5) is amended to read:

ATCP 136.20 (5) Employ any person, other than a technician registered under s. ATCP 136.04, to remove refrigerant from a mobile air conditioner or trailer refrigeration equipment.

SECTION 20. EFFECTIVE DATE: This rule takes effect on the first day of the month
following publication in the Wisconsin administrative register, as provided in s. 227.22(2)(intro.),
Stats.
Dated this day of, 2015.
WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
Ву:

Ben Brancel Secretary

Wisconsin Department of Agriculture, Trade and Consumer Protection

Initial Regulatory Flexibility Analysis

Rule Subject: Petroleum and Other Liquid Fuel Products

Adm. Code Reference: ATCP 136

Rules Clearinghouse #: Not yet assigned

DATCP Docket #: 14-R-07

Rule Summary

This rule does all of the following:

- Updates the rule to harmonize with statutory changes made in 2013 Act 312.
- Updates standards for recovery and recycling equipment, and recycled refrigerant to the most recent standards established by the Society of Automotive Engineers (SAE).
- Eliminates the mobile air conditioner repair business registration and associated fees.
- Modifies mobile air conditioner repair technician training requirements to refer to federal training requirements established by the Environmental Protection Agency (EPA).
- Removes references to obsolete Department of Safety and Professional Services (DSPS) licensing requirements.

Other changes

The proposed rule makes other clarifying and corrective changes needed to ensure uniformity between the statute and rule.

Small Business Affected

This proposed rule eliminates registration fees and modifies training requirements. Businesses will benefit from the reduction in fee and training expenses. The rule would save approximately 3,500 businesses a \$120 annual registration fee for a total savings of about \$420,000 each year. In addition, the 11,000 technicians who register annually with the department would be able to use their EPA-approved training course to meet Wisconsin's training requirements. This cost savings is indeterminate, but would save technicians and businesses both training registration fees and time away from their jobs. This rule will not have a negative effect on small business.

Recordkeeping requirements

This rule makes a minor change to ATCP 136.16 (4) 3., regarding refrigerant substitution records. Businesses will no longer be registered, and so are not required to be named on the documentation. The rule still requires the name of the trained technician who performed the service to be named on the documentation.

This rule makes a minor change to ATCP 136.16 (5) (Intro), regarding repair or service records. Businesses will no longer be registered, and so are not required to keep repair or service records. Instead, the rule requires the trained technician who performed the service to keep the records. There is no change to the required content of repair or service records.

Accommodation for Small Business

Many of the businesses affected by this rule are "small businesses." However, given the subject matter, there are very few accommodations or special exceptions that can be made for small businesses.

Conclusion

This rule will have minimal impact on effected businesses, including "small businesses." Negative effects, if any, will be few and limited. This rule will not have a significant adverse effect on "small business," and is not subject to the delayed "small business" effective date provided in s. 227.22(2)(e), Stats.

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STATE OF WISCONSIN DEPARTMENT OF ADMINIST DOA 2049 (R 07/2011)	FRATION			
	ADMINIST			
FISCAL ESTIMATE AND ECONOMIC IMPACT ANALYSIS				
Type of Estimate and Analysis				
☐ Original ☐ Update				
	Air Conditioners; Reclaiming			
Subject				
Mobile Air Conditioners; Reclaiming or Recycling Refrigerant				
Fund Sources Affected			Chapter 20, Stats. Appropriations Affected	
☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG SEG-S				
Fiscal Effect of Implementin				
☒ No Fiscal Effect☐ Indeterminate	☐ Increase Existing Revenue ☐ Decrease Existing Revenu		☐ Increase Costs ☐ Could Absorb Within Agency's Budget ☐ Decrease Costs	
The Rule Will Impact the Following (Check All That Apply)				
☐ State's Economy ☐ Specific Businesses/Sectors ☐ Local Government Units ☐ Public Utility Rate Payers				
Would Implementation and Compliance Costs Be Greater Than \$20 million?				
☐ Yes ☑ No				
Policy Problem Addressed by the Rule				
The existing ATCP 136 establishes requirements for buying, selling, reclaiming and recycling ozone depleting refrigerants. The requirements are consistent with those under federal law. The rule also requires businesses that install, repair or service mobile air conditioners to pay an annual registration fee and obtain an annual registration certificate from the department. The rule requires businesses to register their mobile air service technicians and technicians to successfully complete a department approved training course or satisfy other training requirements.				
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Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)				
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training requirements. This cost savings is indeterminate, but would save technicians and businesses both training registration fees and time away from their jobs. This rule will not have a negative effect on small business.

Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Benefits

This rule benefits technicians who service mobile air conditioners, and the businesses that employ them, by

eliminating state-approved training currently required in addition to mandatory federal training. These businesses also benefit from no longer needing to pay for annual registration to the department.

Alternatives

There is no alternative. The rule must be updated so as not to contradict changes made in the statute as a result of 2013 Act 312.

Long Range Implications of Implementing the Rule

There are no long-term implications of implementing this rule.

Compare With Approaches Being Used by Federal Government

At the federal level, the EPA requires technicians to be trained and certified by an EPA-approved organization. The training must cover specific content areas, and technicians must pass a test demonstrating competency to be certified. Under the proposed rule, a technician who completes the EPA-approved course would be qualified to install, repair or service mobile air conditioners in Wisconsin.

This rule is consistent with federal laws related to buying, selling, reclaiming, and recycling ozone-depleting refrigerants.

Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

The EPA administers the mobile air conditioner regulations used in adjacent states. Wisconsin has adopted EPA's regulations into state law to improve the ability to enforce the regulations. The proposed rule brings Wisconsin's training requirements into conformity with the EPA training regulations used in neighboring states.

Name and Phone Number of Contact Person

Carolann Nelson (608) 224-4928